

**GREENVILLE-SPARTANBURG AIRPORT COMMISSION  
MINUTES  
March 9, 2011**

The Greenville-Spartanburg Airport Commission met on March 9, 2011 at 9:00 a.m. in the Greenville-Spartanburg Airport Commission Office Conference Room located at 2000 GSP Drive, Suite 1, Greer, SC 29651.

**MEMBERS PRESENT:** Minor Shaw, Hank Ramella, Bill Barnet, Leland Burch, Valerie Miller, and Doug Smith.

**MEMBERS ABSENT:** None

**STAFF AND LEGAL COUNSEL PRESENT:** Dave Edwards-President/CEO, Larry Holcombe-Executive Vice President, Kevin Howell-Vice President/COO, Jack Murrin-Vice President Administration and Finance/CFO, Rosylin Weston-Vice President Communications, Larry Estridge-WCSR Firm, and Wanda Jones-Secretary.

**CALL TO ORDER:** Minor Shaw called the meeting to order.

Chairwoman Shaw introduced and welcomed the two new Commissioners: Bill Barnet and Doug Smith both from Spartanburg.

**APPEARANCES:** None.

**PRESENTATIONS:** None.

**CONSENT AGENDA:**

- A. Approval of the Greenville-Spartanburg Airport Commission January 5, 2011 Regular Meeting Minutes: A motion was made, seconded, and unanimous vote received to approve the minutes from the January 5, 2011 Commission Meeting.

**OLD BUSINESS:** None.

**NEW BUSINESS:** None.

**PRESENTATIONS:** Communications Department Presentation – Rosylin Weston

Ms. Weston presented a review of the Communications Department. The key responsibility areas of the department are: Media and Public Relations, Marketing, Customer Service, and Air Service Development. The goal for media/public relations is to generate 2 to 4 news stories per week utilizing a variety of tools and resources either from the traditional methods of radio, television, print or speaking engagements or through social media utilizing facebook, website, twitter or you tube. The goal of

Customer Service is to enhance the total customer experience by providing information and assistance to customers calling in or to those actually inside the terminal. The goal for Air Service Development is to work alongside the local airline managers to examine current service levels and proactively seek new service opportunities. The focus will be on getting service to all cities currently listed in the GSP top 24 destinations. After the presentation, Ms. Weston discussed the Southwest Airlines Inaugural Weekend in detail and answered any questions the Commissioners had.

### **PRESIDENT/CEO REPORT:**

#### A. Southwest Airlines Update:

Mr. Edwards reported that the start-up of Southwest Airlines is going very well. Southwest Airlines Co. announced this week that the company flew 5.6 billion revenue passenger miles in February 2011, a 13.0 percent increase from February 2010. Mr. Edwards commented that Southwest Airlines is a shining light in the airline industry. Due to the rising cost of fuel, many of airlines have retracted growth projections for 2011.

In the Southwest gate area, new seating has been installed along with laptop charging stations.

#### B. Aviation Industry Update:

Mr. Edwards reported that fuel is a concern among the Aviation Industry. The difference between crude oil and jet fuel prices, commonly known as the "crack spread", historically averages about \$6.00 - \$10.00 a barrel and now the industry is seeing \$30.00 a barrel.

Mr. Edwards reported that John Pistole, TSA Administrator wants to implement a risk-based screening method over the next few years that will tailor-fit airport security procedures to individuals based on intelligence and suspicious behavior. Not screening 100% of passengers will reduce the impact on the security checkpoints.

Mr. Edwards discussed the Airport Improvement Program. The Airport Improvement Program is a federal grant program that provides funds to airports. The money is raised through taxes and fees on airplane tickets and a tax on aviation fuel. Legislators are close to passing a new bill. The bill provides for capital funding only and will be strict on what the funds can be used for. GSP Airport Commission is looking for the Airport Improvement Program to fund approximately \$20 million of the Terminal Improvement Program.

#### C. Change of ACI Board Position

Mr. Edwards who currently serves on the ACI-NA Board as Secretary/Treasurer will take the position of 2<sup>nd</sup> Vice Chair. The current 2<sup>nd</sup> Vice Chair will be retiring therefore Mr. Edwards will move up in position sooner than anticipated. There will be some travel and additional demands associated with this honor. The Commissioners congratulated Mr. Edwards.

#### D. Status of Terminal Improvement Program

The peer review is being finalized and the results are positive. There are four areas that were looked at:

1. Forecast – Acceptable range.
2. Programmatic – One area that could be cut in half is the checked baggage screening area.
3. Concept – No fatal flaws, the concept generally works well.
4. Cost – Validated. However, there is a recommendation from the peer review team that a 20% contingency amount be carried as a part of the project budget.

There is a staff-driven concept that will be brought back to the Commission Task Force, which could reduce the cost significantly.

Mr. Edwards cautioned the Commissioners as the airport is going through the Terminal Improvement Project to keep the process non-political and stay at an arm's length from anyone who contacts them concerning the project, as the Commission Members will have final approval of any construction related contracts. Staff meets with everyone who wants information regarding the process and if Commissioner's want to pass anyone on to Staff please do so.

#### E. Air Service Update:

Southwest starts service on March 13, 2011 and Vision on March 25<sup>th</sup>. Vision will fly direct to Ft. Walton Beach/Destin, FL three days a week. Southwest will have 6500 departing seats a week and Delta is increasing departing seats to 7500 a week. Delta will not be increasing the number of flights per week.

The average number of total departing seats per week will be 27,000. The airport should see close to one million passenger boarding's by the end of the year.

Air traffic continues to grow. For the past six months the airport has seen an increase in passengers and the trend is expected to continue on the positive

side. Cargo continues to do extremely well – the airport is working hard to bring more cargo business into GSP.

### **Information Section**

- A. The airport has seen traffic numbers up for the past four (6) months. The airport should continue to see growth once Southwest starts service.
- B. Financials are on target with what was projected in the budget.
- C. Mr. Kevin Howell reported on Development/Project Status: The Control Tower Study AFTIL Simulation was held in Atlantic City the end of February . The goal was to narrow the site down to two or three potential sites for the future location of the tower. During the AFTIL Simulation all of the original sites were eliminated and by the end of the week four new sites had been chosen. During the next steps a FAA Engineer will visit the sites, a cost estimate will be developed, and an environmental evaluation on those locations will take place.

Southwest Construction – The tenant build-out is 99% complete.

PC Air for Passenger Board Bridges – This project is on hold. Staff is researching funding options.

MUFIDS – Preparing Request for Proposals

Land-Use Planning – Preparing Request for Qualifications

**Commission Member Reports:** None.

**Adjournment:** There being no further business, a motion was made, seconded and a unanimous vote received to go adjourn the meeting. The meeting was adjourned at 10:50 am.

**A Special Commission Meeting will be on Monday, April 11, 2011 at 9:00 a.m.**

**The next Regular Commission Meeting will be on Tuesday, May 10, 2011 at 9:00 a.m.**

